



Testimony of

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**Identity Theft Victim**  
**and**  
**Executive Director/Founder**  
**Identity Theft Action Council of Nebraska**

regarding

**Privacy and Cybercrime Enforcement Act of 2007**

before the

**Subcommittee on Crime, Terrorism and Homeland Security**  
**Committee on the Judiciary**  
**United States House of Representatives**

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Chairman Conyers and members of the Subcommittee, thank you for this opportunity to share my story today and for your leadership and interest in this important issue. Today I will speak about my own personal experience with identity theft, offer support for the Privacy and Cybercrime Enforcement Act of 2007 and provide additional suggestions on what can be done to prevent identity theft. I hope my words will give you a glimpse into what real people—real victims of identity theft—are facing today and the depth of their suffering.

No one actively seeks out opportunities to tell the world about the most vulnerable time in his or her life, but I speak today out of necessity. It is time for change—for new protections for victims and new tools to prevent ID theft—and time for identity theft victims to become visible to make that happen.

**HOW I BECAME VICTIMIZED:**

I have regrets in my life as many people do. One of them was taking a part-time job in 2004 and handing over my social security number to my employer. It is an experience no one ever dreams could change your life in such a drastic way. Unfortunately for my family and me, this choice came with consequences for which I will pay for the rest of my life. Because of this one innocent exchange of information with my employer, I became a victim of identity theft.

In May 2005 my personal information, including my name, birth date and social security number, was stolen and used to apply for four credit cards over the Internet. The perpetrator was a manager at my former employer who stole my information from employee records. I trusted my employer to keep these pieces of information safe and my employer had failed me.

The perpetrator was not working in position that should have had access to employee's personal information. But the file cabinet where my information and that of twenty-three other employees was not kept locked as corporate security policy stated it should be. My employer also failed to complete a background check on the perpetrator, something also required by corporate policy. A background check would have shown my manager's criminal record contained forgery and theft-by-deception felony arrests.

## **HOW I DISCOVERED THE THEFT AND WHAT HAPPENED TO THE PERPETRATOR:**

I am considered lucky because I was alerted to the crime soon after it occurred. One of the credit card companies called me to verify information on the application I had submitted. There was just one problem. I never submitted an application. After many hours digging for clues on my credit reports, I found three other credit cards that had been applied for in my name.

I'm a member of a very small group of identity theft victims who have experienced the arrest and prosecution of their perpetrator. My perpetrator was arrested in October 2005 and charged with criminal impersonation—a felony—for stealing my identity. But the journey from investigation, arrest and charges was not an easy road. I had to fight everyday for seven months for someone to listen to me, pay attention to me and to acknowledge me.

There wasn't a day that I didn't want to give up and let the perpetrator win, but something kept me going. I believe the arrest and prosecution of my perpetrator only happened because of my sheer determination. Most victims give up because the feeling of helplessness is overwhelming. Identity theft victims are largely invisible to law enforcement and the judicial system. We are seen as victims of property crime and many times not seen as victims at all.

My imposter served five months in county jail before going to court and being ordered to undergo drug treatment for Methamphetamine addiction. Then for over a year and a half, I waited.

Finally in October 2007 the plea hearing for the case was held. My perpetrator pleaded guilty to felony criminal impersonation for stealing my identity and was ordered to drug court. For the past year and a half, my perpetrator was participating in the drug court program for three additional felony charges.

In January 2008, my perpetrator will graduate from drug court and all four felonies will be wiped clean from her criminal record, like they never existed. As I watch this happen, I stand before the court invisible.

## **IMPACT ON ME AND MY FAMILY:**

On that day over two years ago I lost more than a nine-digit number from a piece of paper. No one assigns monetary value to a social security number even though it is the key to my financial past, present and future.

Identity theft feels a lot like having your home being robbed. A burglar goes through all your possessions and belongings and takes items you cannot replace. But before they leave, they steal the front door. Now what? Do you get a new door, change your locks, increase security around your home or move if you don't feel safe? As an identity theft victim none of these are options. You are helpless. Imagine what it would be like to try to sleep at night without a front door protecting your family from the night. It's a scary proposition. Your choices would be to either stand guard twenty-four hours a day or give up. Most identity

theft victims give up.

I consider myself an educated woman and capable of handling a lot of what life throws at me. When I became a victim of identity theft, I was not prepared for the overwhelming feeling of helplessness. There was literally nothing I could do but watch as my strong credit score, the result of years of hard work and sacrifice for my family's future hopes and dreams, was destroyed in a matter of moments. I am a young person and what flashed before my eyes was my dream house which I didn't live in yet, trips of a lifetime I dreamed of taking with my family and my eventual retirement. I was stunned at how quickly destruction came and how easy it was for my perpetrator to execute.

What I experienced was a deep sense of loss of:

- A sense of who I am
- How I am portrayed to society
- My core belief system
- My internal intuition
- My love of hobbies
- My ability to express feelings and emotion
- Friends who didn't understand what I was going through
- My safety and security

I had no idea how much information my perpetrator and their friends knew about me, but had to assume it was everything contained in my initial job application - name, address, social security number, education, references, phone numbers, previous work experience, birth date and email. The worry and uncertainty caused me to change my physical appearance, watch for strange cars around my home, watch for people or cars following me. I even went to my local police department to request mug shots of my perpetrator's friends so I could identify them if I was attacked.

In April 2006, this trauma started to affect my professional life while I was working for a different employer. Because the original theft happened at work, I started to become very uncomfortable in the workplace. I was not able to function at a normal level with co-workers nor could I trust management and my employer.

Shortly thereafter, the stress became too much to hide or control. It started showing itself physically. They included, cloudy vision; forgetfulness; increased heart rate; increasing paranoia; agitation; and inability to sleep

In May 2006, I sought counseling and was officially diagnosed with Posttraumatic Stress Disorder—a definition adapted from the DSM-IV (American Psychiatric Association) as being exposed to a traumatic event, re-experiencing the event, persistently avoiding things or events, called triggers, associated with the trauma, persistent symptoms of physical arousal, symptoms that last more than a month. Because of these symptoms, there is significant impairment and distress in social, occupational or other important areas of functioning.

I understand this may be difficult to comprehend. I fought the diagnosis, too. I'm not a soldier returning home from war; I'm not an assault victim; and I'm not a battered woman.

I'm not a victim of violent physical crime, but I feel like someone who is. What I've learned is that no one can determine how a crime victim responds to the trauma of any type of crime.

For a year I could not sleep through the night. I was awakened by every car door I heard in the street, every gust of wind and every sound of the night. I had increasing nightmares and became isolated. I numbed emotions and was paralyzed with irrational fear.

My counselor, in collaboration with another psychologist, determined that my trauma triggers and crime scene were associated with the workplace. Even though my current work place was different, certain elements were constant. I was subjected to my trauma everyday, all day and it became clear I needed a break.

My doctors determined I needed to be removed from the situation in order to learn how to cope, grieve for what I have lost, and respond to feelings in order to return as a productive worker. Their official diagnosis stated I needed three months away from work to complete this task. Because this time off could not be arranged with my employer, I left the job. Since then I have not been employed full-time by any company and my family continues to suffer from my lost wages.

Identity theft is a cycle of victimization that can last for years. I do believe I will be victimized again in my lifetime. There's nothing stopping my perpetrator from harming me again. There is no protection order I can request from law enforcement that will keep me safe. My reality is that I will never be in total control over how or when my social security number is used for the rest of my life.

For me, the damage was increased by the deliberateness of the perpetrator, whom I knew from a six-month working relationship and the indifference of law enforcement, the judicial system, my former employer, my current employer, the credit bureaus, and creditors. To be clear, I do not place blame on these entities. They appear uneducated about the harms they subject consumers to by either using lax security or by simply doing nothing at all. As I note below, more must be done to ensure that those who hold our financial futures in their hands are held accountable for their failure to meet their responsibilities.

### **HOW I TRANSFORMED MY EXPERIENCE:**

My story does not end with heartache. It ends with hope. Early in my journey I asked myself a lot of questions. Why isn't someone helping me? Why is this so difficult? Why am I constantly being asked to step aside, given no answers or hope? I had a choice to make; either forget, let this crime ruin my life or create change. The choice was easy and actually felt as though it chose me. As I asked myself those questions, I quickly realized I couldn't wait for someone else to do something. I had to do it myself.

I founded a nonprofit organization in 2006 called the Identity Theft Action Council of Nebraska. Our mission is to educate about identity theft, provide victim resources and help shape legislation that empowers consumers. Our goals are to create a national model on

how to tackle identity theft issues and reduce its impact on victims' lives.

On this journey I have done things I have never imagined possible: traveled, met with leaders in the field and seen the difference courage to speak out can make. I have spoken to local, state and national media about identity theft.

I have testified before the Nebraska legislature and played an integral part in the passage of the first consumer-led identity theft legislation in the state that gave consumers the right to place a security freeze on their credit files — a tool that prevents creditors from checking credit files, thus preventing ID thieves from opening new accounts.

In 2007 our organization has educated over 2,000 Nebraskans about identity theft.

We have built relationships with Nebraska Attorney General, Nebraska AARP, Consumers Union and other community groups. Our organization will continue to bring to the table groups and entities that can contribute and facilitate discussions across the state on how we can best help consumers and victims.

## **WHAT SHOULD BE DONE ABOUT THE PROBLEM:**

### **First, provide tougher penalties and greater victim restitution.**

The Privacy and Cybercrime Enforcement Act addresses that aspect of the problem by enhancing penalties and making it easier for victims to receive restitution for out-of-pocket costs and the value of the time spent resolving the problems of ID theft. Because one of the long-term impacts of ID theft is credit score damage—the cost of which may only later be realized—I'd recommend that the Committee make clear that the time spent resolving the problems of ID theft includes time spent repairing one's credit score—a process that goes beyond just wiping errors off one's credit file. In addition, I urge the committee to ensure that the actual and potential higher cost of credit to a victim of ID theft is explicitly covered as an out of pocket cost for which restitution is available.

**But criminal penalties alone cannot solve the problem of ID theft.** Identity theft has been a federal crime for many years, but those penalties didn't deter my perpetrator. Thus, criminal penalties and tools for law enforcement are only part of the solution. To more fully address the problem, Congress should:

- **Require business and government to notify consumers when they are at risk.** Congress should require mandatory consumer notification when the security of sensitive personal information held by businesses about their customers and their employees is compromised. We need to know when we are at heightened risk so we can take steps to protect ourselves. But without requirements that we be notified, businesses have every incentive to sweep any security breach incident under the carpet. Tough penalties for failure to notify should also be imposed. Your bill, while not providing for mandatory notification, at least imposes penalties on those who do not meet existing, albeit largely weak, notification requirements under state and federal law.

- **Impose duties upon business and government to safeguard our data.** Congress should couple mandatory notification with mandatory requirements that private businesses and government agencies adopt new data security procedures and technologies. Doing so creates both strong incentives and real obligations for businesses to protect sensitive information to prevent any breach from occurring in the first place. Tough penalties should be imposed for failure to comply. More than likely, I wouldn't be here before you as a victim of identity theft if my employer had simply locked a file cabinet containing my social security number. Data security can be achieved through both common-sense low-tech and high-tech means, just as identity thieves use both low-tech and high-tech means to perpetrate their crimes.
- **Provide consumers with security freeze rights.** Congress should also provide consumers with affordable, easy to use security freeze rights. Right now, though the rights exist in many states, the freeze is still expensive and cumbersome (consumers must submit freeze requests via mail and most states don't provide for quick thaw allowing consumers to quickly and securely lift the freeze when they want to access credit). And the voluntary freeze the credit bureaus are making available is too expensive, and it is a tool that they could withdraw at any time. Plus, they have little incentive to promote its availability because, with the freeze in place, it makes their for-profit tools, like credit monitoring, irrelevant. Yet the security freeze is the only tool we have to stop the cycle of victimization of new account theft. It is not a luxury item and shouldn't be priced as one.

## CONCLUSION:

Even though I have spoken many times about my victimization over the past two years, this is the first time I have spoken about the depth of my pain publicly. It was not easy to do. And because ID theft is a crime that rarely leaves physical marks, beyond tarnished credit records, it is not easy for those who haven't been victims to understand how deeply identity theft affects us. So I thank you for this opportunity.

My story represents just one of the approximately ten million stories of Americans who were victimized by identity theft in 2005. I join a group of roughly fifty million American who have become victims of this crime since 2003. Each victim has his or her own unique story of loss.

I applaud the committee again for your interest in the issue and urge you to move forward with your legislation. But I also urge Congress to do more. Congress must adopt tools that prevent these crimes from occurring in the first place by imposing new duties on those businesses and government agencies that hold the key to our identities in their databases and filing cabinets. Congress should go beyond criminal penalties and adopt strong protections without interfering with existing state laws regarding notice of breach, affordable, easy to use security freeze rights for all Americans and obligations for all businesses and government entities to protect sensitive data.

Thank you again for this opportunity to testify.